SIKKIM

GOVERNMENT GAZETTE

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GOVERNMENT OF SIKKIM
FINANCE REVENUE AND EXPENDITURE DEPARTMENT

No:05/FIN/ADM **Dated :- 29th June'2007.**

NOTIFICATION

In exercise of the powers conferred by section 12 of the Lotteries (Regulation) Act, 1998(17 of 1998), the State Government hereby makes the following rules for the purpose of conducting Sikkim State lotteries, namely:

PART – 1

PRELIMINARY

Short title and commencement:

(1) These rules may be called the Sikkim State Lottery Rules, 2003,

(2) They shall come into force on the date of their publication in the Official Gazette.

In these rules, unless the context otherwise requires,-

Definition:

(a) "Act" means Lotteries (Regulation) Act,1998;

(b) "agreement" means the agreement signed between the Governor of Sikkim and Distributor for selling, marketing of lottery tickets of Sikkim State Lotteries;

(c) "Director" means the Director of Sikkim State Lotteries, Government of Sikkim;

(d) "Distributor" means the Firm or Party with whom the agreement for distribution of lottery ticket is executed;

(e) "Government" means the Govt. of Sikkim;

(f) "Judge" means the official appointed by the Government to conduct the lottery draws on a scheduled time;

(g) "Lottery" means a scheme, in whatever form and by whatever name called for distribution of prize by lot or chance to those persons participating in the chances of a prize by purchasing tickets;

(h) "price" of a ticket means the maximum retail price (MRP) of the ticket as fixed by the Government from time to time;

(i) "Principal Secretary" means the Principal Secretary of the Finance Department, Government of Sikkim;

(j) "printer" means a printing press/presses, engaged for the purpose of printing the lottery tickets by the Government;

(k) "printers premises" means and includes the area on which the printing press and its depot are situated;

(l) "prize money" means the prize amount, payable to prize winning ticket holders excluding income-tax, if any, deductible at source as per the provision of the law relating to income –tax for the time being into force in Sikkim and also any other amount as per terms and conditions of lottery to be notified on the back side of the lottery tickets;

(m) "sale proceeds" means the wholesale price at which the total printed tickets for a particular draw of lottery is sold to sole Distributor;

(n) 'scheme" means the lottery schemes formulated by the State Government from time to time indicating the following, namely:-

(i) name of lottery draws,

(ii) category of the lottery (Daily/Weekly or Bumper),

(iii) total number of tickets printed,

(iv) series, if any,

(v) serial number of the first and last ticket in each series,

(vi) cost of each ticket for sale among public i.e. maximum retail price (MRP),

(vii) details of prizes,

(viii) any other matter approved by the Government;

(o) 'security" means any lump sum amount as may be fixed by the Government required to be furnished by any party with whom an agreement is executed for sale of lottery tickets;

(p) "State" means the State of Sikkim and the word "State Lottery" shall be construed accordingly;

(q) "tickets" means Sikkim State Lottery tickets, bearing the imprint and logo of the State of Sikkim having the facsimile signature of the Director to the Government of Sikkim,(State Lotteries) on it and released for sale in receipt of any particulars, draw to be held on specific date and time with all necessary information for the convenience of the subscribers, intending to enter in the draw for winning prize money of a particular draw on purchasing its tickets.

PART II

3. Administration of State Lotteries:- (1) The Sikkim State Lottery shall be conducted by the Government of Sikkim,

(2) The Sikkim State Lottery hereinafter referred to as the "State Lottery" shall be administered by the Principal Secretary under the administrative control of the Director, State Lottery with its headquarters at Gangtok.

4. Appointment of Distributor.- The Government may, by floating open tenders or such other manners as deemed appropriate, appoint a person / persons or firm / firms having experience in running lotteries as Distributor for a period as determined by the Government in accordance with the terms and conditions hereinafter provided.

5. Appointment of stockiest or selling agent:- The Distributor, may appoint stockiests or selling agents to sell lottery tickets to the public at their own arrangements.The list of such stockiests or selling agents with the necessary particulars, address etc. shall be submitted to the Director.

6. Appointment of Judges.-The Government shall appoint the judges to conduct the lottery draws on a scheduled time, who shall be paid the honorarium as may be fixed by the Government from time to time.

7. Agreement.- (1) Agreement made by the Government with any other firm/person shall be expressed in the name and on behalf of the Governor and all instruments for contracts should be signed by such officers authorized to sign instruments on behalf of the Governor of Sikkim.

(2) The Agreement made under sub-rule(1) shall mention the type and nature of lotteries to be conducted during the period covered by the Agreement.

(3) All Agreement entered into between the Governor and the Distributor(s) prior to the commencement of those rules shall, as far as they are not inconsistent with the provisions of these rules, be deemed to have entered under the corresponding provisions of these rules.

Provided that where the existing agreements are inconsistent with these rules, they shall be regulated under the guiding principles of the Act,

8. Printing of lottery tickets.- (1) The Government through the Director (State Lotteries) shall appoint printer(s) of well repute for the printing of lottery tickets at such terms agreed upon by both the parties. In the

printing of tickets, the Government shall take all reasonable care to ensure the genuineness and authenticity of lottery tickets and to make the duplication and the sale of fake lottery tickets impossible.

(2) All lottery tickets shall bear the State's logo imprinted on each ticket.

(3) All lottery tickets shall have to bear the facsimile signature of the Director.

(4) All lottery tickets should bear all the prize amounts offered, the date of draw, and be printed in English. The Director shall have the right to reject any lottery ticket printed if found to have violated the provisions of the Act.

(5) The terms and conditions printed on the back of the tickets shall be decided from time to time by the Director and it shall conform to the provisions of these rules and the agreement signed between the Governor and the Distributor.

(6) Tickets shall be printed as per the schemes formulated by the State Government from time to time. Each such series shall be distinguished by alphabetical notation such as A,B,C,D and so on or by numerical notation such as 0 (nought) to 9 (nine) to be proceeded by oblique line (/) and alphabetical notation like A,B,C,D or AA,BB,CC,DD and so on.

(7) The Director or any officer authorized by him shall deliver the printed tickets to the distributor (s) appointed by Government for sale.

9. Rates of ticket.- The minimum and maximum retail price (MRP) of lottery tickets shall be as may be fixed by the Government from time to time.

10. Prizes.- The total value of Prize per draw shall not be less that 50 (fifty) percent of the total value of the tickets printed for each draw.

11. Draw of lottery.- (1) The date of draw shall be indicated on the face of the lottery ticket itself.

(2) The Director may cancel or postpone the date of draw on sufficient reasonable ground, which shall be recorded in writing.

(3) All draws of State Lottery shall be held within Gangtok, Sikkim, only and shall be open to public.

(4) All draws of State Lottery shall be conducted on the day and time prescribed by the Government from time to time.

(5) All draws of State Lottery shall be held under the supervision of the Director or any other officer authorized by him in the presence of judges appointed by the Government.

(6) After the draw is over, the original draw result sheet shall be kept in the safe custody of the office of the Director for a minimum period of six months or for such period as the Government may determine.

(7) As soon as each draw is over, the Director shall supply, or cause to be supplied, to the Distributor or his local representative, a copy of the results of the draw duly authenticated by the Director or any officer authorized by him.

12. Publication of results.- (1) The list of prize winning ticket numbers in each draw shall be published in the Official Gazette and such publication shall be deemed to be the final and official announcement of the result of the draw.

(2) The result of each draw shall be published in the national, regional and local newspapers for wide circulation and also in modern mass media.

(3) The Distributor shall be allowed to popularize State Lottery Schemes at his own expenses provided that such publicity shall not in any way invite legal complications or draw the Government of Sikkim into legal liabilities. The texts of any publications or display of advertisements etc through Cable Television should be got approved by the Director prior to floating of such advertisements or display etc.

13. Claim of prizes.- (1) All claims of taxable prizes of Rs.5000/- and above shall be submitted to the Director, State Lottery along with:

(a) the claim in the form appended to these rules duly filled in,

(b) original prize winning ticket with three passport size photographs of the prize winner duly attested by a Gazetted officer,

(c) an affidavit of ownership of the prize winning ticket from any Magistrate.

(2) The Government shall be responsible for payment of all prizes in various draws. The Distributor shall distribute prizes of Rs.5000/- and below,

(3) The Distributor shall render to the Government,

(a) all prize winning tickets under non-income tax brackets along with account of prizes disbursed by them,

(b) all unsold prize winning tickets along with an account of unclaimed prize winning tickets.

(4) The items indicated in Clauses (a) and (b) of sub-rule (3) shall have to be submitted to the Director State Lotteries, Government of Sikkim within a period of 120 (one hundred and twenty) days from the date of each draw. On submission of such account to the satisfaction of the Director, the amount involved shall be adjusted in the sale proceeds.

(5) All unclaimed prize money shall be property of the Government of Sikkim.

(6) All prizes of each draw shall be claimed by the prize winner within 30(thirty) days from the date of draw failing which Government shall, in no case, be held responsible for non payment of prizes. However, Government reserves the right to disburse the prize even if the claim is received after 30(thirty) days but the maximum period of the same shall in no way exceed 120(one hundred twenty) days from the date of draw.

(7) The Government shall not be liable to pay the prize money on any ticket which is lost in postal transit or mutilated, defaced or tampered with in such a way that its genuineness cannot be verified.

14. Examination of prize winning tickets.- (1) The prize winning tickets received by the Director will be examined carefully in line with the following procedures.-

(a) the tickets received by the Department shall be sent to the printer(s) of the ticket for authentication of its genuineness,

(b) the tickets even if mutilated but with the series and ticket number remaining intact shall also be accepted for examining its genuineness or otherwise,

(c) a ticket which is tampered in any way shall not be entitled to any prize money.

(2) Any person claiming the prize money with tampered ticket may be sued, if considered necessary, in a Court of Law.

15. Payment of prize money.- The Director shall disburse prize money for accepted genuine claims after deducting the necessary items viz. income tax and any such other deduction under rules/schemes etc.

16. Mode of payment to any by the Government:- (1) All payment due to the Government shall be made by the Distributor by demand draft drawn in favour of the Director (State Lotteries) on any nationalized bank in Gangtok.

(2) The Director shall initially credit all the amounts received in the Government Account in the designated nationalized banks.

(3) The Distributor at the time of signing an Agreement for conducting lottery sale, shall furnish to the Government a Bank Guarantee from any nationalized bank for a stipulated amount which will be determined by the Government. The Bank Guarantee shall be furnished for the entire period of agreement.In case the Bank Guarantee is found valid for a period shorter than the period of agreement, the Distributor shall get it renewed for the remaining period of agreement at the minimum 30 (thirty) days ahead of expiry of the Bank Guarantee failing which an ex-parte decision towards its invocation may be taken by the Government. Also the Bank Guarantee shall be forfeited to the Government for breach of any terms and conditions of the agreement on the part of the Sole Distributor.

In the event of the necessity arising out of the views of the Government, the amount of Bank Guarantee may be revised from time to time.

17. Accounts and Audit.- (1) The Distributor shall arrange to furnish the unclaimed accounts for each draw in a complete manner within 120(one hundred twenty) days from the date of draw of respective lottery and make it ready for inspection by the Director or any officers authorized by him,

(2) The Government may reserve the right to enquire into the lottery business of the Distributor.

18. Litigation charges.-The expenses, if, incurred by the Government or litigation relating to payment of Sale Proceeds shall be fully borne by the Distributor and any expenditure initially incurred by the Government shall be adjusted from the performance guarantee of the Distributor.

19. Legal Jurisdiction:- The legal jurisdiction of the Sikkim State Lotteries shall be extended to any competent Court located at Sikkim.

20. Inherent powers.- (1) The Sikkim State Lottery shall be conducted by the Government and administered through Director (State Lotteries), Sikkim.

(2) The Government may run as many lotteries in a year as may be decided by the Government from time to time.

(3) The fund raised out of Lottery shall be utilized for such purposes and in such manner as may be decided by the Government as per the rules framed by the Government for this purpose from time to time.

21. Sale of other State lottery tickets in Sikkim.- (1) Any other State or Union Territory or any Country having bilateral agreement or treaty with Government of India organizing, conducting or promoting Lottery as per section 4 of the Act, shall submit to the Director of State Lotteries, the following documents and details before starting the sale of lotteries namely:

(a) the details as per section 4 of the Act.
(b) copy of the rules, if any, made under section 12 of the Act.
(c) specimen ticket shall be submitted with name of the lotteries and type of scheme, order of draws along with details of the prize structure of every scheme and any subsequent addition or deletion to the scheme made from time to time.
(d) details of the Agents, sub-agents or selling agents appointed for selling its lottery tickets in the State and the cancellation and fresh appointment thereof.
(e) details of the designated Authority or body entrusted to conduct the lottery draw by the concerned State Government/Country.
(f) details of the procedure for publishing the lottery results.
(g) any other relevant information as directed by the Authority so as to enable it to verify that the scheme is conducted as per the provisions of the Act.

(2) In the absence of complete details the Authority may return the scheme to the concerned State Government/Country, directing to furnish the complete details within a period of 15 days. The Authority shall verify all the details furnished who shall assess the report independently taking into account various other information available with him from the Commercial Taxes Department, Police or any other source if any, and decide as to whether the scheme satisfies all the provisions of the Act and pass appropriate orders.

(3) No lottery shall be marketed until appropriate orders under sub-rule (1) above are issued by the Director State Lotteries. Enforcement agency may seize such tickets marketed before passing any order in this regard.

(4) The Enforcement Agency may.- (a) seize, for the purpose of further examination or securing information or investigation any Lottery, thing, machine, documents, account or data excluding proprietary software, on or in such premises or facility which has bearing on conduct of lotteries.

(b) seal or otherwise secure any such premises, facility, thing or machine or in which any document or data which has bearing on the conduct of lotteries.

(c) take such legal action as per the Act, which may be necessary to protect the integrity and conduct of Lotteries.

22. Interpretation:- If any question arises as to the interpretation of these rules or in regard to any matter not expressly provided for in these rules, the matter shall be referred to the Government of Sikkim and the decision of the Government thereon shall be final and binding.

CLAIM FORM

(FORM for Claiming prizes (Above Rs. 5000/-) of Sikkim State Lotteries)
To be filled in capital letters.
[See rule 13 (1) (a)]

To,

The Director,
State Lotteries,
Government of Sikkim,
Gangtok – 737101,
Sikkim.

Subject: Claiming prize of Rs.....in..... Lottery.

Sir,

I beg to submit that I have won Rs...../-. The detail of my Prize winning ticket is as mentioned below:-

Lottery Name:	Sikkim.....
Draw No. :	.....Draw On:.....
Ticket No. :	.....
Prize Amount:	Rs...../-
Prize Amount:	In words Rupees.....
	.....only.
Prize Rank :	.....

I enclose herewith the ticket in original after signing and putting my address on the reverse side. The prize amount is to be remitted to me in the following address.

Yours faithfully

Place:

Signature: .....
Name & Address.....
.....
.....
.....

RECEIPT

Received from the Director, Sikkim State Lotteries, Government of Sikkim, the sum of Rs...../- (Rupees..... only) being the prize money of the above mentioned Prize Winning Ticket of Sikkim.....of.....Draw held on.....

Please paste Revenue Stamp and Sign on it.

Signature, Full Name and Address of Prize Winner
.....
.....
.....

T.T. Dorjee, IAS
Addl. Chief Secretary.
Finance, Revenue & Expenditure Department.